

Minutes of the Personnel Committee

Tuesday, November 18, 2003

Chair Paulson called the meeting to order at 1:00 p.m., and led the committee in the Pledge of Allegiance.

Present: Supervisors Duane Paulson (Chair), Jeff Morris, Carl Seitz, Bob Thelen, Pete Gundrum and Don Broesch. **Absent:** Supervisor Matt Thomas.

Also Present: Legislative Policy Advisor David Krahn, Internal Audit Manager Lori Schubert, Corporation Counsel Tom Farley, Principal Assistant Corporation Counsel Debbie Price, Chief of Staff Allison Bussler, Senior Risk Management Analyst Jeff Newcomb, Labor Relations Manager Jim Richter, Principal Assistant Corporation Counsel Bruce Haarman, Employment Services Manager Sue Zastrow, Principal Human Resources Analyst Terri Sgarlata-Lutz and Office Services Coordinator Windy Jicha.

Approve Minutes of October 7 and 14, 2003

MOTION: Broesch moved, Morris second, to approve the minutes of October 7 and 14, 2003.

Motion carried: 5-0.

Schedule Next Meeting Date

- December 9 at 1 p.m.

Executive Committee Report

- Legislative Update
- Reviewed Ordinance 158-O-104: Amend Capital Project 200108 – Justice Facility
- Committee Updates

Discuss and Consider Child Support Division Audit

Schubert gave the committee a high level overview of the audit. She explained the roles, duties and budget of the Child Support Division. This was a compliance audit to review the operations of the Child Support Division, evaluate the level of compliance with State and Federal regulations and evaluate the earning of performance funds. The Division is responsible for implementing and administering the federal Child Support Enforcement Act per Title IV-D of the Social Security Act and Wisconsin Statutes. Funding for this program is provided through a combination of federal and state funds. The state contract includes performance measures which the Division must comply to earn additional performance monies. Duties of the Division include establishing paternity, obtaining initial court orders for support, obtaining modifications to the court orders, enforcing court orders and collecting delinquent accounts.

Schubert said overall the audit staff found the Division to be operating in an efficient and effective manner and to be complying with the state and federal regulations relating to the Child Support Program. In 2002, the Division earned 100% funding available on two performance measures and 96% of the available funding on the third measure. The Division anticipates earning 100% of the available performance monies in 2003.

Supervisor Seitz arrived at 1:10 p.m.

Schubert said the audit found that the Division is doing a very good job. There are three minor recommendations in this report. In an effort to increase the amount of collections from estates of non-custodial parents (NCPs) or of estates where the NCP is a beneficiary, the Audit staff recommends that the Division work with the Probate Division staff to obtain a listing of all new probate cases opened each month. Next, the Audit Department staff recommends that Division staff maintain hard copy of the reports they utilize at strategic points of time. Division staff has not maintained hard copies of reports at year-end which would allow for trend analysis on delinquencies or other statistics useful to the Division. The last recommendation is for the Child Support Division to request that the state prepare ad hoc reports which identify delinquent cases with current payments and delinquent cases without current payments. The delinquency report includes cases that have current payments and cases that do not have current payments. This makes it challenging for caseworkers to easily identify cases that do not have current payments.

Farley distributed a handout titled "Child Support Division." He said the last three pages of the handout describe the performance measures the Division must meet to get state and federal funding. He wants the committee to be aware of the issues that the Division is currently facing. The audit function can be looked at in different ways by people. This audit shows that with a limited amount of staff, money and time, the Division is able to run one of the better programs in the state and has a huge impact on families that are not wealthy families. The average child support order is less than \$200 per month. The \$50 per week a family gets helps the children and makes a huge difference in the quality of life for the children of this county. The Division consistently functions with less than 10% county levy annually. \$20 million is put on the table with payments to families averaging \$200 per month. It's the type of program that should help us feel good about government. The main problem in society is the lack of respect for the quality of life in our community. We are surprised when people grow up not respecting the quality of life. We shouldn't be surprised to see someone with a lack of respect when their father did not even care enough to provide financial support. The audit made some good suggestions for the Division to work on. He is very happy that the audit was done and the outcome of the audit. The Division receives 18-20% of funding by meeting performance measures. When we change our focus away from meeting these goals, there is a radical price to pay. With the reduction of staff over the last few years, we have still been able to accomplish our goals. We don't solicit cases but our case loads are growing at swift rates. When you are talking about families with child support orders of less than \$200 per month, you know that these are families who can't afford to hire lawyers and spend time in the courts getting this to work. Farley said his department has been able to meet the performance measures because of dedicated staff.

Morris asked if the state ever comes in to audit the Division? Farley said we are required to have our auditors to do annual compliance audits. We haven't had an outside audit completed in the Division since 1996.

Discuss Function of the Waukesha County Auditors

Schubert said the County Auditors report to the Executive Committee and Board Chairman. It is key to have the department independent from administration. This allows the department to operate and report to the board without interference from the administration. The Audit Department also works independently of the County Board staff to insure the validity of the data. One key to having this service in-house is accountability. Schubert distributed the annual audit plan and individual audit scopes. The Executive Committee approves both the annual audit plan and each audit scope. Audits are assigned by annual risk assessment by audit staff, requests for assistance from departments, requests by supervisors, etc.

The Audit Department mainly does Operational / Performance audits that are future oriented, systemic analysis of department operations. The purpose of the audits is to improve efficiency, increase achievement of department objectives and evaluation of objectives. The department does not usually perform financial or compliance audits. The audits performed tend to be broad scope audits, especially compared to other audit departments of this size, and contain quite a bit of educational material for supervisors to better understand the operations of the departments undergoing the audit. Schubert said she encourages Supervisors to voice their concerns to her department, County Board Chair or the Executive Committee.

Broesch said it is not unusual to have an internal audit staff. Schubert said compared to other businesses and governments with the size of Waukesha County's budget, we have a very small audit department. With our overall budget, you would expect at least four audit staff members.

Morris asked if the department has ever been told to ignore facts or to not report findings? Is there something that should be set up to do away with the possibility of malfeasance? Schubert said she reports directly to the Executive Committee as a whole. Because she reports to the entire committee, it is difficult for things to be quashed. The Division does not usually deal with current legislative and policy issues.

Gundrum asked why they were assigned to audit the Child Support Division? They seem to be doing a good job. Schubert said they audited the Division because of the volume of work handled and the possible consequences that would result if the tasks were not handled appropriately. Gundrum asked why did we even bother auditing the department if all looked well? Schubert said a Supervisor requested that this audit be performed. Broesch said you can't just audit departments that are doing poorly because that would skew the audit process.

Discuss 1999-2003 Worker's Compensation Claims History

Newcomb reviewed the 1999 – 2003 Claims History Summary. There were 63 worker's compensation claims in 2003, as of September 30. Currently, in 2003 there are 16 open claims and \$16,099 was paid out in compensation on claims. Total expenses incurred in 2003 through September 30 include \$111,378 for medical, \$27,663 claims adjustment expenses, \$563 legal expenses, \$31,588 disability pay and \$0 for subrogation. The total incurred for 2003 through September 30 are \$187,291. Total claims filed for the time period of 1999 – 2003 are 582. Twenty-four claims remain open. There are three claims still open from 2002, three from 2001, one from 2000 and one claim open from 1999. For the reporting time period, the total incurred net subrogation is \$1,929,257.

Motion to Return to Open Session

MOTION: Thelen moved, Morris second, to return to open session at 3:09 a.m.

Motion to Adjourn

MOTION: Seitz moved, Broesch second, to adjourn at 3:10 p.m. **Motion carried:** 6-0.

Respectfully submitted,

Peter Gundrum
Secretary